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RED CANYON RESOURCES LTD.

INTERIM MD&A – QUARTERLY HIGHLIGHTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

The following interim MD&A – Quarterly Highlights of the financial position of Red Canyon Resources Ltd. ("the Company") and results of operations of the Company should be read in conjunction with the unaudited condensed interim consolidated financial statements including the notes thereto for the period ending September 30, 2023 and the audited consolidated financial statements for the year ending December 31, 2022.

The accompanying unaudited condensed interim consolidated financial statements and related notes are presented in accordance with International Financial Reporting Standards for interim financial statements and accordingly do not include all disclosures required for annual financial statements. These statements, together with the following interim MD&A – Quarterly Highlights dated **November 29, 2023** ("Report Date"), are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to the potential future performance. The information in the interim MD&A – quarterly highlights may contain forward-looking statements.

These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

Economic and industry factors are substantially unchanged with respect to a comparison of the Company's interim consolidated financial condition to the consolidated financial condition as at the most recently completed financial year end.

1. CORE BUSINESS

Red Canyon Resources Ltd. ("Red Canyon" or the "Company") was incorporated on October 2, 2020 under the laws of British Columbia. The Company's principal business activities include the acquisition and exploration of mineral property assets in North America. The address of the Company's corporate office and its principal place of business is Suite 1210 – 1130 West Pender Street, Vancouver, British Columbia, Canada. The Company's shares were approved for trading on the Canadian Securities Exchange ("CSE") under the symbol "REDC" on October 25, 2023.

The Company has one wholly owned subsidiary: RC Metals Inc. The accounts of the subsidiary are consolidated with the Company.

The Company is focused on mineral exploration in British Columbia and the western United States. As of September 30, 2023, the Company held 100% interest in six copper related properties in British Columbia, a copper-gold-molybdenum property in Nevada, and a copper-gold property in Utah as follows:

- British Columbia – **Peak** (Cariboo Regional District), **SP** (Cariboo Regional District), **Kendal** (Kitimat-Stikine Regional District), **Ping** (Fraser-Fort George Regional District), **Hatter** (Thompson-Nicola Regional District); **Cooper** (Cariboo Regional District);
- Nevada – **Scraper Springs** (Elko County); and
- Utah – **Keg** (Juab County).

See Section 7.1 "Exploration and Evaluation Activities" below for a description of the properties and the work programs.

2. FINANCIAL CONDITION

As at September 30, 2023, the Company had not yet determined whether the Company's mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from their disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a net loss of $218,050 for the nine months ended September 30, 2023 (2022: $124,045) and, as of that date, the Company had an accumulated deficit of $821,228. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

The Company had a working capital surplus of $1,253,098 at September 30, 2023 (December 31, 2022: $75,078) which includes a flow-through premium liability of $385,773 that will be extinguished when the Company incurs eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for FT shares.

Cash was $1,728,973 at September 30, 2023 (December 31, 2022: $269,396). Restricted cash was $20,624 at September 30, 2023 (December 31, 2022: $20,210) and consists of a savings account held at a financial institution as security against a company credit card. The Company's sources and uses of cash are discussed in Section 4 "Cash Flows" below.

Amounts and other receivable of $25,872 at September 30, 2023 (December 31, 2022: $11,868) consist of GST input tax credits and expense recovery.

Prepaid expenses of $4,143 at September 30, 2023 (December 31, 2022: $3,296) include normal operating expenses.

Equipment of $2,413 at September 30, 2023 (December 31, 2022: $883) consists of computer and field equipment.

Exploration and evaluation assets of $1,465,914 at September 30, 2023 (December 31, 2022: $1,015,386) consist of acquisition and exploration expenditures on the Company's mineral properties and are discussed in Section 7 "Exploration and Evaluation Activities" below.

Trade and other payables were $140,741 at September 30, 2023 (December 31, 2022: $229,970). Trade and other payables are unsecured and are usually paid within 30 days of recognition. Included in trade and other payables is $9,110 (December 31, 2022: $130,218) due to related parties which consists of amounts owed to directors, officers and significant shareholders for salaries, fees and expense reimbursements.

During the period ended September 30, 2023, the Company raised gross proceeds of $1,291,705 through flow-through unit offerings (the "FT Unit Offerings") that are to be used to incur eligible "Canadian Exploration Expenses" ("CEE") that are Qualifying Expenses within the meaning of the Tax Act for flow-through shares. The Company is committed to renounce $1,291,668 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

The Company recorded aggregate flow-through premium liability of $471,235 on the FT Unit Offerings which will be extinguished when the Company incurs the CEE. During the period ended September 30, 2023, the Company incurred $227,891 in Qualifying Expenses and recognized $85,462 in flow-through share premium income. As at September 30, 2023, the Company had a remaining commitment to incur $1,063,776 in Qualifying Expenses and the remaining flow-through premium liability was $385,773.

3. FINANCIAL PERFORMANCE

The Company has one operating segment, the exploration of mineral properties, and two geographical segments, with current exploration activities being conducted in both Canada and the United States.

Because the Company is in the exploration stage, it did not earn any revenue from production and its expenses relate to the costs of operating a private company of its size. Net loss for the nine months ended September 30, 2023 was $218,050 and comprehensive loss after cumulative translation adjustment was $218,240 or $0.01 per share, compared to a net loss of $124,045 and comprehensive loss of $126,402 for the nine months ended September 30, 2022 or $0.00 per share. Net loss for the three months ended September 30, 2023 was $39,618 and comprehensive loss after cumulative translation adjustment was $41,166 or $0.00 per share, compared to a net loss of $2,045 and comprehensive loss of $3,819 for the three months ended September 30, 2022 or $0.00 per share.

3.1 Total expenses for the nine months ended September 30, 2023

Total expenses for the nine months ended September 30, 2023 were $329,942 compared to total expenses of $173,131 for the nine months ended September 30, 2022.

Accounting and audit fees were $15,433 for the nine months ended September 30, 2023 compared to $6,122 in expenses recorded in the 2022 comparative period, and include accounting, audit, review, administrative fees and tax return preparation.

Employee costs were $178,440 for the nine months ended September 30, 2023 compared to $100,598 in employee costs recorded in the 2022 comparative period. Employee costs consist of consulting fees, management, salaries and benefits and share-based payments. The following is a breakdown of material components of the Company's employee costs for the nine months ended September 30, 2023 and 2022.

	Nine months ended September 30, 2023 $	**Nine months ended September 30, 2022 $**
Consulting fees	640	29,991
Management	68,313	26,808
Salaries and benefits	72,180	43,799
Share-based payments	37,307	-
	178,440	100,598

Consulting fees include payments for administrative and corporate services and advisors. During the nine months ended September 30, 2022, NewQuest Capital Inc. ("NewQuest", a significant shareholder of the

Company) was paid $30,000 in strategic consulting fees. (See Section 12 "Transactions Between Related Parties" below).

Management expenses consist of salary allocations paid to the CEO and CFO of the Company as well as director's fees effective September 1, 2023. Management fees increased during the 2023 financial period in support of the Company's growing operations.

Salaries and benefits consist of salaries paid to the CFO and employees of the Canadian head office, employer payroll expenses, group health premiums and WorkSafeBC premiums. Salaries and benefits increased during the 2023 financial period in support of the Company's growing operations.

Share-based payments of $37,307 for the nine months ended September 30, 2023 (2022: $nil) represent 250,000 stock options granted and vested during the period.

Depreciation expense on computer and field equipment was $322 for the nine months ended September 30, 2023 (2022: $284).

Filing fees were $27,380 for the nine months ended September 30, 2023 compared to $750 in filing fees recorded for the 2022 comparative period and consist of costs related to the Company's non-offering prospectus, CSE listing application, and reports of exempt distribution and Form D for share issuances.

General exploration expenses were $31,616 for the nine months ended September 30, 2023 compared to $49,373 in general exploration expenses recorded for the 2022 comparative period. General exploration expenses include project generation costs.

Investor communication expenses were $3,857 for the nine months ended September 30, 2023 compared to $501 in expenses incurred during the 2022 comparative period, and consist of advertising, attendance at trade shows and conferences and website maintenance.

Legal fees were $41,558 for the nine months ended September 30, 2023 compared to $986 in legal fees recorded for the 2022 comparative period. Legal fees of $39,394 were incurred in connection with the Company's non-offering prospectus and CSE listing application, and the balance relates to general corporate and commercial matters.

Office expenses were $22,248 for the nine months ended September 30, 2023 compared to $12,208 in expenses recorded for the 2022 comparative period. Office expenses increased to support the Company's active and growing operations, including payment of office rent of $1,000 per month effective September 1, 2022. The following is a breakdown of the Company's office expenses for the nine months ended September 30, 2023 and 2022.

	Nine months ended September 30, 2023 $	**Nine months ended September 30, 2022 $**
Bank charges and interest	1,305	870
IT and web	4,984	3,118
Meals and entertainment	1,933	3,124
Office supplies and expenses	3,977	3,755
Rent	9,000	1,000
Telephone	1,049	341
	22,248	12,208

Travel expenses were $9,088 for the nine months ended September 30, 2023 compared to $2,309 in expenses recorded for the 2022 comparative period. Travel includes attendance at trade shows and conferences.

3.2 Total other income and expenses for the nine months ended September 30, 2023

Flow-through share premium income of $85,462 (2022: $nil) was recognized during the nine months ended September 30, 2023 upon incurrence of $227,891 of eligible CEE. Finance income of $25,662 recorded during the nine months ended September 30, 2023 (2022: $2,334) consists of bank interest. Foreign exchange gains and losses arise from transactions denominated in U.S. dollars, the functional currency of the Company's subsidiary.

3.3 Total expenses for the three months ended September 30, 2023

Total expenses for the three months ended September 30, 2023 were $157,815 compared to total expenses of $40,696 for the 2022 comparative period.

Employee costs were $57,738 for the three months ended September 30, 2023 compared to $23,190 in employee costs recorded in the 2022 comparative period. Employee costs consist of consulting fees, management, and salaries and benefits. The following is a breakdown of material components of the Company's employee costs for the periods ended September 30, 2023 and 2022.

	Three months ended September 30, 2023 $	Three months ended September 30, 2022 $
Consulting fees	-	338
Management	25,590	8,886
Salaries and benefits	32,148	13,966
	57,738	23,190

Consulting fees include payments for administrative services.

Management expenses consist of salary allocations paid to the CEO and CFO of the Company as well as director's fees effective September 1, 2023. Management fees increased during the 2023 financial period in support of the Company's growing operations. (See Section 12 "Transactions Between Related Parties" below).

Salaries and benefits consist of salaries paid to the CFO and employees of the Canadian head office, employer payroll expenses, group health premiums and WorkSafeBC premiums. Salaries and benefits increased during the 2023 financial period in support of the Company's growing operations.

Depreciation expense on computer and field equipment was $131 for the three months ended September 30, 2023 (2022: $95).

Filing fees were $25,062 for the three months ended September 30, 2023 compared to $nil in filing fees recorded for the 2022 comparative period and consist of costs related to the Company's non-offering prospectus, CSE listing application, and reports of exempt distribution and Form D for share issuances.

General exploration expenses were $7,380 for the three months ended September 30, 2023 compared to $9,960 in general exploration expenses recorded for the 2022 comparative period. General exploration expenses include project generation costs.

Investor communication expenses were $2,915 for the three months ended September 30, 2023 compared to $nil in expenses incurred during the 2022 comparative period, and consist of advertising, attendance at trade shows and conferences and website maintenance.

Legal fees were $40,093 for the three months ended September 30, 2023 compared to $5 in legal fees recorded for the 2022 comparative period. Legal fees were incurred in connection with the Company’s non-offering prospectus and CSE listing application, and the balance relates to general corporate and commercial matters.

Office expenses were $6,588 for the three months ended September 30, 2023 compared to $5,222 in expenses recorded for the 2022 comparative period. The following is a breakdown of the Company’s office expenses for the periods ended September 30, 2023 and 2022.

	Three months ended September 30, 2023 $	**Three months ended September 30, 2022 $**
Bank charges and interest	422	231
IT and web	1,399	1,604
Meals and entertainment	331	1,281
Office supplies and expenses	1,065	942
Rent	3,000	1,000
Telephone	371	164
	6,588	5,222

3.4 Total other income and expenses for the three months ended September 30, 2023

Flow-through share premium income of $85,462 (2022: $nil) was recognized during the three months ended September 30, 2023 upon incurrence of $227,891 of eligible CEE. Finance income of $13,234 recorded during the three months ended September 30, 2023 (2022: $1,369) consists of bank interest. Foreign exchange gains and losses arise from transactions denominated in U.S. dollars, the functional currency of the Company’s subsidiary.

4. CASH FLOWS

The Company is still in the exploration and evaluation stage and as such does not earn any significant revenue from production. Total cash used in operating activities was $349,744 for the nine months ended September 30, 2023 compared to cash used of $148,454 during the 2022 comparative period. The Company incurred net loss of $218,050 with adjustments to add back items not involving cash (depreciation, foreign exchange, share-based payments, and flow-through share premium income) and adjustments for non-cash working capital items (amounts receivable, prepaid expenses, trade and other payables) to calculate the cash used in operating activities.

Total cash flows used in investing activities was $592,925 during the nine months ended September 30, 2023 (2022: $318,230) and consist of expenditures of $471,073 (2022: $318,230) on exploration and evaluation assets, a reclamation bond deposit of $120,000 and $1,852 in purchase of equipment.

Total cash flows provided by financing activities was $2,402,524 during the nine months ended September 30, 2023 and include $2,440,457 in proceeds from share issuances less $37,933 in share issuance costs. Cash flows provided by financing activities was $120,000 for the 2022 comparative period and consisted of $120,000 in proceeds from share issuances.

5. SELECTED ANNUAL INFORMATION

N/A

6. MAJOR OPERATING MILESTONES

6.1 Period from January 1 to September 30, 2023

In January 2023, the Company expanded the Ping property by staking an additional mineral claim totalling 606 hectares.

On March 31, 2023, the Company raised gross proceeds of $539,000 through the issuance of 2,450,000 units priced at $0.22 (each, a "Unit"). Each Unit is comprised of one common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the Units was allocated to the warrants. Finder's fees of $10,758 and 48,900 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

On April 25, 2023, the Company raised gross proceeds of $536,690 through the issuance of 2,439,500 Units priced at $0.22. $Nil of the Units was allocated to the warrants. Finder's fees of $2,501 and 11,370 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

On April 25, 2023, the Company raised gross proceeds of $282,705 through the issuance of 856,682 flow-through units priced at $0.33 (each, a "FT Unit"). Each FT Unit is comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the FT Units was allocated to the warrants. Finder's fees of $7,989 and 24,210 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing. The Company recorded a flow-through premium liability of $94,235.

The flow-through proceeds are intended to be used to incur eligible "Canadian Exploration Expenses" that are Qualifying Expenses within the meaning of the Tax Act for FT shares.

On May 4, 2023, the Company raised gross proceeds of $976,000 through the issuance of 2,772,727 charity flow-through units priced at $0.352 (each, a "CFT Unit"). Each CFT Unit is comprised of one flow-through common share and one-half of a share purchase warrant, with each whole warrant exercisable at $0.40 per share for a two year term. $Nil of the CFT Units was allocated to the warrants. The Company recorded a flow-through premium liability of $366,000.

In connection with the CFT Unit Offering closed on May 4, 2023, the Company is committed to renounce $975,972 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024. During the period ended September 30, 2023, the Company incurred $227,891 in Qualifying Expenses and recognized $85,462 in flow-through share premium income.

On May 5, 2023, the Company raised gross proceeds of $63,470 through the issuance of 288,500 Units priced at $0.22. $Nil of the Units was allocated to the warrants. Finder's fees of $1,398 and 2,400 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

On May 5, 2023, the Company raised gross proceeds of $33,000 through the issuance of 100,000 FT Units priced at $0.33. $Nil of the FT Units was allocated to the warrants. The Company recorded a flow-through premium liability of $11,000.

In connection with the FT Unit Offering closed on April 25, 2023 and May 5, 2023, the Company is committed to renounce $315,696 in Qualifying Expenses by December 31, 2023 and incur such expenses by December 31, 2024.

In May 2023, the Company expanded the Peak property by staking an additional three mineral claims totalling 1,086 hectares.

On June 1, 2023, Lauren Roberts was appointed as a director of the Company to replace Tero Kosonen, who resigned from the role and transitioned to a corporate advisor to the Company.

On June 1, 2023, 250,000 stock options exercisable at $0.22 per share for a five year term were granted to a director and an employee. The options vested immediately.

In June 2023, the Company received a Mines Act permit to conduct exploration activities on the Kendal project.

On July 10, 2023, the Company raised gross proceeds of $9,592 through the issuance of 43,600 Units priced at $0.22. $Nil of the Units was allocated to the warrants. Finder's fees of $180 and 816 finder's warrants exercisable into common shares at $0.40 for a two year term were paid on a portion of the financing.

In July 2023, the Company received a Mines Act permit to conduct exploration activities on the Ping project.

On August 3, 2023, the Company acquired a 100% royalty free interest in the Cooper property by way of staking. Cooper is comprised of eight mineral claims totalling 5,445 hectares located in south central British Columbia, approximately 50 km northeast of the community of 100 Mile House.

In August 2023, the Company received Mines Act permits to conduct exploration activities on the Peak and SP projects.

From August to September 2023, Scott Geophysics Ltd. was engaged to complete a 17 line km pole-dipole IP geophysical survey on the Peak property.

During September 2023, Scott Geophysics Ltd. was engaged to complete three lines of (3.6 line-km) pole-dipole IP geophysical survey on the SP property.

6.2 Period from October 1, 2023 to the Date of this Report

On October 13, 2023, the British Columbia Securities Commission issued the final receipt for the Company's non-offering prospectus dated October 12, 2023.

On October 25, 2023, the Company's common shares began trading on the Canadian Securities Exchange under the symbol "REDC".

In October 2023, the Company commenced the inaugural diamond drilling campaign at its Ping South copper-gold project in central British Columbia.

In November 2023, the Company announced the results of a 17 line km pole-dipole Induced Polarization ("IP") geophysical survey at its Peak copper-gold project in central British Columbia.

7. Exploration and Evaluation Activities

7.1 Exploration and Evaluation Activities for the Nine Months Ended September 30, 2023

The Company is in the mineral exploration stage and as such has no revenues. Mineral interests in the form of exploration and acquisition costs totalled $1,465,914 as at September 30, 2023 (September 30, 2022: $889,603).

Total costs incurred on exploration and evaluation assets for the nine months ended September 30, 2023 and 2022 are summarized as follows:

	British Columbia $	Nevada $	Utah $	Total $
Acquisition costs				
Balance, December 31, 2021	12,916	169,396	118,867	301,179
Additions	23,137	47,205	15,192	85,534
Foreign exchange	-	16,251	10,458	26,709
Balance, September 30, 2022	36,053	232,852	144,517	413,422
Exploration costs				
Balance, December 31, 2021	48,461	107,222	-	155,683
Additions				
Administration	22,763	-	-	22,763
Geology	157,051	21,471	118	178,640
Mapping and sampling	76,831	11,212	-	88,043
Project manager	32,757	-	-	32,757
Technical review	-	1,436	-	1,436
BC Mineral Exploration Tax Credit	(14,538)	-	-	(14,538)
	274,864	34,119	118	309,101
Foreign exchange	-	11,391	6	11,397
Balance, September 30, 2022	323,325	152,732	124	476,181
Total acquisition costs and exploration expenditures				
September 30, 2022	359,378	385,584	144,641	889,603

	British Columbia $	Nevada $	Utah $	Total $
Acquisition costs				
Balance, December 31, 2022	33,611	233,248	143,058	409,917
Additions	12,490	42,053	15,675	70,218
Foreign exchange	-	(81)	(144)	(225)
Balance, September 30, 2023	46,101	275,220	158,589	479,910

Exploration costs				
Balance, December 31, 2022	449,584	155,764	121	605,469
Additions				
Drilling	-	5,525	-	5,525
Geology	101,156	22,157	9,079	132,392
Geophysics	162,307	-	-	162,307
Prospecting, mapping, sampling	31,896	-	-	31,896
Project manager	30,533	-	-	30,533
Reports	1,600	16,204	-	17,804
	327,492	43,886	9,079	380,457
Foreign exchange	-	20	58	78
Balance, September 30, 2023	777,076	199,670	9,258	986,004
Total acquisition costs and exploration expenditures				
September 30, 2023	823,177	474,890	167,847	1,465,914

7.2 Peak (Cariboo Regional District, British Columbia)

As at September 30, 2023, Peak was comprised of 15 mineral claims totalling 6,718 hectares located in south central British Columbia, approximately 30 km northeast of Williams Lake. The Company acquired 14 of the claims by staking and one claim was purchased from an arm's length vendor for $575 and a 1% net smelter return ("NSR") royalty that the Company may purchase for $1,000,000 at any time.

During the nine months ended September 30, 2023, the Company expended $1,901 in acquisition costs (2022: $4,066) and $152,883 in exploration costs (2022: $188,282) on Peak which included prospecting and an IP geophysical survey program. During the nine months ended September 30, 2022, the Company received a British Columbia Mining Exploration Tax Credit ("METC") of $3,408 which reduced the carrying value of the Peak Property. As at September 30, 2023, total acquisition and exploration expenditures recorded on Peak was $433,798 (2022: $206,630).

About the Peak Property

The Peak property is located in the Cariboo region of southcentral British Columbia, approximately 30 km northeast of the City of Williams Lake. Peak is a large, 6,718-hectare, strategic land position situated in a copper district with active large scale mining operations and excellent infrastructure. The Project is located approximately 28 km southwest of the Mount Polley copper-gold mine and 20 km southeast of the Gibraltar copper-molybdenum mine.

Previous exploration completed on the property includes local geological mapping, soil and rock geochemistry, airborne and ground-based magnetic surveys, IP geophysical surveys, and limited diamond drilling.

Large scale soil geochemical programs conducted by the Company have identified areas considered to be anomalous in copper and other related elements. In addition, Peak hosts multiple magnetic features that could be related to copper porphyry deposits found elsewhere in BC. At Peak Central, surface grab samples of porphyritic rocks have assayed over 2% copper.

Additional information on the Peak project can be found in the NI 43-101 Technical Report dated May 1, 2023, as filed on SEDAR+ at www.sedarplus.ca.

2023 Work Program - Peak

Work completed during the period ended September 30, 2023 includes significant reprocessing of existing airborne and drone magnetic data completed to better characterize and prioritize magnetic anomalies, particularly in the area covered by the 2022 geochemical and geological work. These surveys were successful in delineating targets for potential drill testing.

From August to September 2023, Scott Geophysics Ltd. was engaged to complete a 17 line km pole-dipole IP geophysical survey over a series of interpreted intrusion-related magnetic features with coincident or proximal elevated copper-in-soils geochemistry. The IP program was designed to test for chargeable zones associated with seven interpreted intrusion-related magnetic features. Four of the seven targets show coincident IP chargeability highs, which the Company believes upgrades the potential for these targets to be associated with copper porphyry systems.

The Company's Peak Central area represents an area of complex magnetic highs and lows associated with altered and mineralized porphyritic rocks. A previous 3D IP survey at Peak Central outlined a large zone of chargeable rocks west of outcropping copper-bearing porphyritic rocks. This area has never been drill tested. The Company plans to drill the Peak Central high chargeability zone and an adjacent deep, highly resistive zone in early 2024, as well as new high priority target areas recently outlined. For more information on the IP program, refer to the Company's news release dated November 9, 2023.

7.3 SP (Cariboo Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the SP property, which it acquired by way of staking. At September 30, 2023, SP was comprised of four mineral claims totalling approximately 3,763 hectares located in south central British Columbia approximately 50 km northeast of Williams Lake.

During the nine months ended September 30, 2023, the Company expended $nil in acquisition costs (2022: $nil) and $46,645 in exploration costs (2022: $5,444) on SP which included an IP geophysical survey program. During the nine months ended September 30, 2022, the Company received a British Columbia METC of $11,130 which reduced the carrying value of the SP Property. As at September 30, 2023, total acquisition and exploration expenditures recorded on SP was $87,334 (2022: $38,001).

About the SP Property

The SP Project located in the South Cariboo region in the south-central British Columbia covers a strategic land position of 3,763 hectares underlain by geology of the Quesnel Terrane. The Project area is located 6 km southwest of the Mount Polley copper-gold mine within geologically similar rocks. Previous exploration at SP has identified areas of anomalous copper and gold soil geochemistry, coincident with large magnetic highs that may indicate the presence of porphyry-related intrusive rocks, similar to copper-bearing rocks elsewhere in Quesnellia.

2023 Work Program - SP

Work completed during the period ended September 30, 2023 includes reprocessing of existing airborne magnetic data completed to better characterize and prioritize magnetic anomalies associated with historical geochemically anomalous soil samples and an interpreted cross trend structure.

During September 2023, Scott Geophysics Ltd. was engaged to complete three lines of (3.6 line-km) pole-dipole IP geophysical survey over a series of magnetic features associated with elevated copper and gold in soils. The IP program was designed to test for the presence of chargeable rocks associated with two areas of interest. One weakly chargeable (6-8 mV/V) zone with a moderately high resistive zone (1500-3000 Ohm-metres) was identified on one of the three lines. No further work is planned at this time.

7.4 Hatter (Thompson-Nicola Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the Hatter property, which it acquired by way of staking. At September 30, 2023, Hatter was comprised of three mineral claims totalling approximately 1,849 hectares located in south central British Columbia approximately 20 km south of Merritt, BC.

During the nine months ended September 30, 2023, the Company expended $nil in acquisition costs (2022: $3,236) and $6,567 in exploration costs (2022: $14,943) on Hatter. As at September 30, 2023, total acquisition and exploration expenditures recorded on Hatter was $34,070 (2022: $18,179).

About the Hatter Property

The Hatter Project in south-central British Columbia represents a strategic land position including three mineral claims covering 1,849 hectares underlain by Quesnel Terrane rocks. Nicola Group rocks, which host neighbouring alkalic porphyry systems at the Copper Mountain and New Afton copper-gold mines, underlie the Hatter claims. The Hatter Project hosts anomalous copper in soils and in rock grab samples, coincident with a large magnetic high that may indicate the presence of porphyry related intrusive rocks, similar to copper-bearing rocks elsewhere in Quesnellia.

2023 Work Program - Hatter

Exploration activities during the period ended September 30, 2023 consist of geological review by the exploration manager, geologists and field techs.

7.5 Kendal (Kitimat-Stikine Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the Kendal property, which it acquired by way of staking. At September 30, 2023, Kendal was comprised of five mineral claims totalling approximately 2,738 hectares located in west central British Columbia approximately 25 km northeast of Terrace.

During the nine months ended September 30, 2023, the Company expended $nil in acquisition costs (2022: $4,792) and $76,218 in exploration costs (2022: $43,423) on Kendal which included prospecting and an airborne magnetic and radiometric survey program. As at September 30, 2023, total acquisition and exploration expenditures recorded on Kendal was $144,253 (2022: $48,215).

About the Kendal Property

The Kendal Project is located in west central British Columbia, within the geology of the Stikine Terrane. The Company controls a strategic land position totaling 2,738 hectares. The area is underlain by Jurassic Hazelton Group volcanic rocks that are intruded by stocks and dykes of the Cretaceous to Tertiary Coast Plutonic Complex.

The Company interprets a large 2.5 x 1.5 km zone of highly altered surface rocks to represent the phyllic (Quartz-Sericite-Pyrite) alteration of a copper porphyry system. Previous mapping and sampling also identified propyllitically altered porphyritic rock and breccia zones with widespread anomalous copper geochemical values and highs up to 0.75% copper in rock. The Company interprets that the current level of erosion at Kendal is likely above a more prospective potassic alteration zone, suggesting that the main part of the copper system is preserved and could be open laterally and at depth.

2023 Work Program - Kendal

The 2023 field program included a project wide 213-line kilometre airborne magnetic and radiometric survey and a detailed trace element (4-acid digestion) surface rock sampling program designed to better vector targets for an anticipated 2024 drill program. Results from the detailed sampling program are expected in Q1/24. This project has never been drill tested.

7.6 Ping (Fraser-Fort George Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the Ping property, which it acquired by way of staking. At September 30, 2023, Ping was comprised of six mineral claims totalling approximately 5,408 hectares located in south central British Columbia approximately 50 km northwest of Prince George.

During the nine months ended September 30, 2023, the Company expended $1,060 in acquisition costs (2022: $8,404) and $35,517 in exploration costs (2022: $36,401) on Ping which included geophysics. As at September 30, 2023, total acquisition and exploration expenditures recorded on Ping was $104,531 (2022: $44,805).

About the Ping Property

The Ping Project, situated in the central British Columbia, in the northern Cariboo region, covers a strategic land position of 5,408 hectares underlain by geology of the Quesnel Terrane. Regional geological mapping situates the Ping Project on the western boundary of the Takla volcanics, which hosts multiple copper porphyry systems in BC. Previous exploration conducted on the property includes MMI (Mobile Metal Ion) soil geochemistry, an extensive aeromagnetic survey, and IP geophysics. The Company has compiled data from these surveys and has identified multiple targets that may represent copper porphyry intrusive rocks.

Within the Ping Project, the Ping South property comprises five contiguous mineral claims covering 4,427 hectares. Ping South lies within the early Mesozoic-aged Quesnel Island Arc Terrane which hosts numerous deposits of porphyry gold-copper style mineralization.

Ping South occurs within an area of extensive overlying glacial till that span over 320 km between major deposits at Mount Polley and Gibraltar mines approximately 220 km to the south, Mount Milligan mine, and Kwanika deposits approximately 100 km to the north. The Company believes this underexplored area of the Quesnellia Terrane presents a significant opportunity to use advanced geoscience to identify new copper deposits masked by the till cover.

The Ping South area is within an elevated magnetic portion of a 25 km long northwest-trending positive magnetic feature. The feature is also partly correlative with the western margin of a 90 km by 15 km north-trending gravity high that is co-spatial with the western margin of a conductivity (VTEM) low. These coincident geophysical features share comparable characteristics to regional geophysical responses from several British Columbia copper deposits.

Access to the property is excellent via a well-maintained logging road network. Main haul roads run to the north and south of the Ping South claims.

2023 Work Program - Ping

During the period ended September 30, 2023, the Company engaged Fathom Geophysics (“Fathom”) to compile and fully assess aeromagnetic data from the 2007 survey and IP data collected in 2008 and 2011 to identify exploration targets for further investigation. Magnetic Vector Inversion (MVI) modeling was completed on the Ping magnetic dataset by Fathom using the UBC MVI software. High-level intrusions and magnetite-rich alteration related to alkaline porphyry copper systems often form discrete magnetic anomalies. Fathom identified nine possible intrusion related targets at Ping South. In 2023, Fathom used magnetic inversion studies to better characterize and prioritize magnetic anomalies and reviewed historical IP for porphyry related chargeability and resistivity features.

In October 2023, the Company commenced its inaugural diamond drilling campaign at Ping South. Initial drilling at Ping South will target favorable elevated MMI copper geochemistry associated with interpreted intrusion related magnetic features with coincident IP chargeability highs. The Company plans to test up to three of these targets in this first pass drill program. For more information on the drill program, refer to the Company's news release dated October 25, 2023.

7.7 Cooper (Cariboo Regional District, British Columbia)

The Company owns a 100% royalty-free interest in the Cooper property, which it acquired by way of staking. At September 30, 2023, Cooper was comprised of eight mineral claims totalling 5,445 hectares located in south central British Columbia, approximately 50 km northeast of the municipality of 100 Mile House.

During the nine months ended September 30, 2023, the Company expended $9,529 in acquisition costs (2022: $nil) and $9,662 in exploration costs (2022: $nil) on Cooper which included prospecting. As at September 30, 2023, total acquisition and exploration expenditures recorded on Cooper was $19,191 (2022: $nil).

About the Cooper Property

The Cooper Property is underlain by Early Jurassic granodiorite and granite of the Takomkane batholith. Previous work conducted in the southeastern area of the mineral claims, identified variably mineralized rocks with quartz-Kspar stockwork style veinlets and/or fracture fills that host anomalous chalcopyrite mineralization.

2023 Work Program - Cooper

Exploration activities during the period ended September 30, 2023 consisted of review and compilation of geological data associated with Cooper. In addition, the Company conducted an initial field prospecting and sampling program.

7.8 Scraper Springs (Elko County, Nevada)

The Company holds a 100% interest in the Scraper Springs property, which at September 30, 2023 was comprised of 190 mineral claims totalling approximately 1,589 hectares located in Elko County, Nevada. The property was originally acquired pursuant to a property purchase and sale agreement dated February 22, 2021 for consideration of $100,000 and is subject to a 2% NSR royalty. The Company has staked additional claims on federal Bureau of Land Management ("BLM") land to expand the property.

During the nine months ended September 30, 2023, the Company expended $42,053 in acquisition costs (2022: $47,205) and $43,886 in exploration costs (2022: $34,119) on Scraper Springs which included geological review and permitting. As at September 30, 2023, total acquisition and exploration expenditures recorded on Scraper Springs was $474,890 (2022: $385,584).

About the Scraper Springs Property

The Scraper Springs Project occurs at the northernmost exposure of Paleozoic rocks in the north-central Nevada Carlin Trend in Elko County, Nevada. Scraper Springs is interpreted to host high temperature alteration minerology overlying a potential porphyry mineralizing system at depth.

The approximate 4 km x 4 km alteration footprint surrounding the Scraper Springs target is comparable in scope to some of the world's largest copper deposits. Previous operators at Scraper mostly targeted shallow, high grade gold systems or Carlin related gold systems. A reinterpretation of the alteration and geology at

Scraper by Red Canyon and third-party consultants, suggests high temperature, low pH clays and Eocene-aged intrusions at Scraper could be associated with a deeper, large scale copper system. In 2022, Red Canyon completed a deep IP survey at Scraper, which outlined a significant, chargeable zone never previously drill tested. One historical drill hole approximately 1.5 km east of this new chargeability target intersected strong propylitic alteration and ended in anomalous copper mineralization with values up to 0.17% copper. The Company views Scraper Springs as an important, high-profile copper project.

Additional information on the Scraper Springs project can be found in the NI 43-101 Technical Report dated September 26, 2023, as filed on SEDAR+ at www.sedarplus.ca.

2023 Work Program – Scraper Springs

Exploration expenditures during the period ended September 30, 2023 consisted of site visits, geological review and interpretation and permitting work.

7.9 Keg (Juab County, Utah)

The Company holds a 100% interest in the Keg property, which at September 30, 2023 was comprised of 63 mineral claims on BLM land and two Utah State leased sections totalling approximately 1,049 hectares located in Juab County, Utah. The property was acquired pursuant to a property purchase and sale agreement dated March 22, 2021 for consideration of $100,000 and is subject to a 2% NSR royalty.

During the nine months ended September 30, 2023, the Company expended $15,675 in acquisition costs (2022: $15,192) and $9,079 in exploration costs (2022: $118) on Keg which included geological review. As at September 30, 2023, total acquisition and exploration expenditures recorded on Keg was $167,847 (2022: $144,641).

About the Keg Property

The Keg Property is located in Juab County, 100 kilometres south of Salt Lake City, in central Utah's Great Basin. The property is considered to have potential for porphyry copper and related skarn mineralization. Previous work includes geological mapping and sampling and airborne and surface geophysical surveys.

2023 Work Program – Keg

Exploration expenditures during the period ended September 30, 2023 consist of a site visit and geological review and interpretation.

7.10 Qualified Person

The scientific and technical information contained in this document has been reviewed and approved by Wendell Zerb, P. Geol, a "Qualified Person" ("QP") as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

8. SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed fiscal quarters as presented in the unaudited condensed interim consolidated financial statements. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

	Q3 Sep 30, 2023 $	Q2 Jun 30, 2023 $	Q1 Mar 31, 2023 $	Q4 Dec 31, 2022 $

Total revenue	-	-	-	-
Net income (loss) for the period	(39,618)	(113,182)	(65,250)	(134,834)
Comprehensive income (loss) for the period	(41,166)	(111,859)	(65,215)	(135,084)
Net income (loss) per share, basic	(0.001)	(0.003)	(0.003)	(0.005)
Net income (loss) per share, diluted	(0.001)	(0.003)	(0.003)	(0.005)

	Q3 Sep 30, 2022 $	**Q2 Jun 30, 2022 $**	**Q1 Mar 31, 2022 $**	**Q4 Dec 31, 2021 $**
Total revenue	-	-	-	-
Net income (loss) for the period	(2,045)	(42,497)	(79,503)	(245,641)
Comprehensive income (loss) for the period	(3,819)	(43,628)	(78,955)	(245,742)
Net income (loss) per share, basic	(0.000)	(0.002)	(0.003)	(0.011)
Net income (loss) per share, diluted	(0.000)	(0.002)	(0.003)	(0.011)

Because the Company is in the exploration stage, it did not earn any significant revenue.

Net losses of $113,182 for 2023 Q2, $134,834 for 2022 Q4 and $245,641 for 2021 Q4 are wider than the other periods, and the 2022 Q3 loss of $2,045 is more narrow. The factors that have caused variations over the quarters are explained as follows.

Accounting and audit fees in the fourth quarters of 2022 and 2021 include provisions of $50,205 and $26,908 respectively for preparation of the Company’s year end audit and income tax returns.

Share-based payments expense for the grant of incentive stock options were $37,307 for the second quarter of 2023, $30,482 for the fourth quarter of 2022 and $164,948 for the fourth quarter of 2021.

A foreign exchange gain of $37,282 was recorded during the third quarter of 2022. Foreign exchange gains and losses arise from transactions denominated in U.S. dollars, the functional currency of the Company’s subsidiary and are dependent on fluctuation of exchange rates.

9. LIQUIDITY

The Company’s condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company’s ability to continue as a going concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations. Management has been successful in raising equity financing in the past. However, there is no assurance that it will be able to do so in the future.

Factors that could impact on the Company’s liquidity are monitored regularly and include market changes, copper price changes, and economic upturns or downturns that affect the market price of the Company’s securities for the purposes of raising financing. World economic and geopolitical events and resulting inflation has created uncertainty in the equity and commodity markets, which makes it a challenge to raise financing. Management believes that this condition will continue over the next twelve months.

Cash was $1,728,973 at September 30, 2023 (2022: $269,396). Restricted cash was $20,624 at September 30, 2023 (2022: $20,210) and consists of a savings account held at a financial institution as security against a company credit card.

Amounts and other receivable consist of GST input tax credits and office expense recoveries. Prepaid expenses were recorded for ordinary operating expenses.

Current liabilities total $526,514 at September 30, 2023 compared to $229,970 at December 31, 2022. Current liabilities consist of trade payables and flow-through share premium of $385,773 that will be extinguished when the Company incurs eligible CEE.

Working capital surplus was $1,253,098 at September 30, 2023 compared to a surplus of $75,078 at December 31, 2022.

The Company has no debt or debt arrangements.

Based on the consolidated financial condition at September 30, 2023, the Company can meet its financial obligations as they become due in the current fiscal year.

10. CAPITAL RESOURCES

The Company does not have any commitments for capital expenditures. The Company does not have any capital resources in the form of debt, equity and any other financing arrangements.

11. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

12. TRANSACTIONS BETWEEN RELATED PARTIES

12.1 Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company. Key management personnel compensation is comprised of the following:

	Nine months ended September 30, 2023 $	Nine months ended September 30, 2022 $
Short-term employee benefits and director fees	142,500	119,700
Share-based payments	22,384	-
	164,884	119,700

The Company has entered into a Management Agreement with Wendell Zerb, the Chairman, President and Chief Executive Officer (the “CEO”) effective January 1, 2022 for no fixed term. As compensation for the services to be provided, the CEO will receive a monthly fee of $10,800 with provisions for severance of (i) three months of compensation in the event the Company terminates the Agreement without Cause within twelve months of the effective date; (ii) six months of compensation plus an additional one month for each completed year of service up to a maximum of twelve months in the event the Company terminates the Agreement without Cause after twelve months of the effective date; (iii) twelve times the monthly compensation in the event the CEO resigns for Good Cause during the first two years of the Agreement; (iv) eighteen times the monthly compensation if the CEO resigns for Good Cause during the third or any subsequent year of the Agreement; and (v) eighteen months of compensation in the event the Company terminates the Agreement with or without Cause, or the CEO resigns with or without Good Cause, within twelve months following a change of control of the Company. In the event the CEO participates in activities that lead to (i) the sale of any of the Company’s exploration properties or the creation of a new or spin-off company, he will be awarded a Special Bonus in the amount of 0.5% of the sale of any of the Company’s exploration properties or the creation of a new or spin-off company; and (ii) a corporate transaction involving a sale of the Company or more than 50% of the Company’s issued and outstanding common shares, he will be awarded a Special Bonus of 0.2% of the consideration up to $50 million of consideration received, and 0.1% of additional value beyond that $50 million level. During the period ended September 30, 2023, the Company recorded $97,200 (2022: $97,200) in fees payable to the CEO, of which $55,080 (2022: $69,012) was capitalized to Exploration and Evaluation Assets in the Consolidated Statement of Financial Position and $nil (2022: $13,608) was expensed to General Exploration and $42,120 (2022: $14,580) was expensed to Management in the Consolidated Statement of Loss.

The Company has entered into an Employment Agreement with Sandra Wong, the Chief Financial Officer and Corporate Secretary (the "CFO") effective June 1, 2023 for no fixed term. As compensation for the services to be provided, the CFO will receive a monthly salary of $6,700 with provisions for severance of (i) three months of compensation in the event the Company terminates the Agreement without Cause; (ii) three months of compensation in the event the CFO resigns for Good Cause; and (iii) eighteen months of compensation in the event the Company terminates the Agreement with or without Cause, or the CFO resigns with or without Good Cause, within twelve months following a change of control of the Company. This Employment Agreement supersedes an Employment Agreement dated January 1, 2022 for the CFO to provide services for compensation of a monthly salary of $2,500. During the period ended September 30, 2023, the Company recorded $39,300 (2022: $22,500) in fees payable to the CFO, of which $19,650 (2022: $nil) was expensed to Management and $19,650 (2022: $22,500) was expensed to Salaries and Benefits in the Consolidated Statement of Loss.

The Company has approved the payment of a director's fee of $1,000 per month to each of Lauren Roberts, Caleb Stroup and Alistair Waddell and $2,000 per month to Cecil R. Bond, the chair of the audit committee, effective September 1, 2023. During the period ended September 30, 2023, the Company recorded $5,000 (2022: $nil) in director fees which were expensed to Management in the Consolidated Statement of Loss.

Wendell Zerb, Caleb Stroup and Alistair Waddell are officers and/or directors of the Company and are also directors and shareholders of NewQuest Capital Inc., which holds a 25.61% interest in the Company. Sandra Wong is CFO and Corporate Secretary of the Company and is also CFO, Corporate Secretary and a shareholder of NewQuest.

During the year ended December 31, 2022, the Company recorded $30,000 in consulting fees payable to NewQuest pursuant to a Contract for Services for a six month term from January 1, 2022 to June 30, 2022 for compensation of $5,000 per month.

12.2 Private Placements

In connection with the private placement that closed on January 14, 2022, Waddell Consulting Inc., a company owned by Alistair Waddell, a director of the Company, purchased a total of 50,000 common shares for total proceeds of $10,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

In connection with the private placement that closed on March 31, 2023, Wendell Zerb, the Chairman, President, CEO and a director of the Company, purchased a total of 100,000 Units for total proceeds of $22,000, and Lauren Roberts, a director of the Company, purchased a total of 200,000 Units for total proceeds of $44,000. The terms and conditions offered to the related parties in these transactions are identical to those offered to non-related common shareholders.

In connection with the private placement that closed on April 25, 2023, Mr. Zerb purchased a total of 100,000 FT Units for total proceeds of $33,000. The terms and conditions offered to the related party in this transaction are identical to those offered to non-related common shareholders.

In connection with the private placements that closed on May 5, 2023, NewQuest purchased a total of 80,000 Units for total proceeds of $17,600 and Cecil R. Bond, a director of the Company, purchased 100,000 FT Units for total proceeds of $33,000. The terms and conditions offered to the related parties in these transactions are identical to those offered to non-related common shareholders.

12.3 Due to Related Parties

As at September 30, 2023, the Company has $9,110 (December 31, 2022: $130,218) due to related parties which consists of amounts owed to directors, officers and significant shareholders for salaries, fees and expense reimbursements, which is due on demand, unsecured and is non-interest bearing. The amounts due to related parties are payable to the following:

	September 30, 2023 $	December 31, 2022 $
Wendell Zerb, President, Chairman, CEO, Director	3,582	129,776
Alistair Waddell, Director, through Waddell Consulting Inc.	1,050	-
Caleb Stroup, Director	1,000	-
Cecil R. Bond, Director	2,000	-
Lauren Roberts, Director	1,000	-
NewQuest, significant shareholder and common directors	478	442
	9,110	130,218

13. FOURTH QUARTER

N/A

14. PROPOSED TRANSACTIONS

The Company is engaged in the search for potential joint venture partners, mineral property acquisitions and financings, but there are currently no proposed asset or business acquisitions or dispositions other than disclosed in this Report. Other than disclosed in this Report, the Company does not have any proposed transactions.

15. COMMITMENTS, EXPECTED OR UNEXPECTED EVENTS, OR UNCERTAINTIES

Other than disclosed in this Report, the Company does not have any commitments, expected or unexpected events, or uncertainties.

16. SIGNIFICANT CHANGES FROM PREVIOUS DISCLOSURE

There are no significant changes from previous disclosure.

17. CHANGES IN ACCOUNTING POLICES INCLUDING INITIAL ADOPTION

A number of new or amended accounting standards were scheduled for mandatory adoption on or after January 1, 2024. The Company has not early adopted these new standards in preparing these condensed interim consolidated financial statements. These new standards are either not applicable or are not expected to have a material impact on the Company's consolidated financial statements.

18. KNOWN TRENDS, RISKS OR DEMANDS

Credit risk

Credit risk is the risk of an unexpected loss associated with a counterparty's inability to fulfill its contractual obligations. Management evaluates credit risk on an ongoing basis and monitors activities related to amounts and other receivable including the amounts of counterparty concentrations. The primary sources of credit risk for the Company arise from its financial assets consisting of cash. The carrying value of these financial assets represents the Company's maximum exposure to credit risk. To minimize credit risk the Company only holds its cash with high credit chartered Canadian financial institutions. As at September 30, 2023, the Company has no financial assets that are past due or impaired due to credit risk defaults.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations with respect to financial liabilities as they fall due. The Company's financial liabilities consist of its trade and other payables. The Company has a working capital surplus of $1,253,098 as at September 30, 2023 and can meet its current obligations. The Company handles its liquidity risk through the management of its capital structure as described in Note 11 of the financial statements. All of the Company's financial liabilities are due on demand, do not generally bear interest and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as held-for-trading, available-for-sale and cause fluctuations in the fair value of future cash flows for assets or liabilities classified as held-to-maturity, loans or receivables and other financial liabilities. The Company is not exposed to significant interest rate risk as the Company has no variable interest bearing debt. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in copper and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

- Currency risk

  Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The results of the Company's operations are exposed to currency fluctuations. To date, the Company has raised funds entirely in Canadian dollars. A portion of the Company's exploration property expenditures will be incurred in United States dollars.

19. DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

As at November 29, 2023, the Company has 34,937,459 common shares issued and outstanding.

As at November 29, 2023, the Company has 2,800,000 stock options outstanding.

As at November 29, 2023, the Company has 4,563,200 warrants outstanding.

20. BOARD OF DIRECTORS AND OFFICERS

The directors of the Company are Cecil R. Bond, Lauren Roberts, Caleb Stroup, Alistair Waddell and Wendell Zerb.

The officers of the Company are Wendell Zerb (Chairman, President and Chief Executive Officer and Sandra Wong (Chief Financial Officer and Corporate Secretary).

21. CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

This Management's Discussion & Analysis contains "forward-looking statements, within the meaning of applicable Canadian Securities legislation", that involve a number of risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold and copper, the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", or "might" be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: risks relating to the integration of acquisitions, risk relating to international operations, the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold and copper; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; fluctuations in metal prices; as well as those risk factors discussed or referred to in the Company's Management's Discussion and Analysis for the period ended September 30, 2023. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

22. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the Company and all the information in this Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the Management's Discussion and Analysis and has ensured that it is consistent with that in the consolidated financial statements.

The Company maintains systems of internal accounting and administrative controls in order to provide, on a reasonable basis, assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board, and two of its members are independent directors. The Committee meets at least once a year with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the consolidated financial statements and the external auditors' report. The Committee reports its findings to the Board for consideration when approving the consolidated financial statements for issuance to the shareholders. The Committee also considers, for review by the Board and approval by the shareholders, the engagement or reappointment of the external auditors.

RED CANYON RESOURCES LTD.

Wendell Zerb

Chairman, President and Chief Executive Officer